

## PRESS RELEASE

Issue 2015: 02

Wednesday, 28 January 2015

*For Immediate Release*

December 2014 / Traffic / Preliminary

**Association of Asia Pacific Airlines**

(Reg. No. 587)

Level 27-1, Menara Prestige

1 Jalan Pinang

50450 Kuala Lumpur

MALAYSIA

Tel +603 2162 1888

Fax +603 2162 6888

[www.aapairlines.org](http://www.aapairlines.org)

### **Asia Pacific Airlines Record Healthy Growth in 2014**

*Outlook for 2015 remains positive*

**Kuala Lumpur, Malaysia** – Preliminary figures for the full calendar year 2014 released today by the Association of Asia Pacific Airlines (AAPA) showed healthy growth in international air passenger demand, whilst air cargo markets experienced an encouraging revival in demand after three consecutive years of declines.

A total of 256.1 million international passengers flew on the region's carriers in 2014, representing an annual increase of 4.8% from the previous year. Sustained growth in Asian regional economies, and robust trade activities supported by stronger US markets, helped underpin business and leisure travel demand. However, the combined 4.7% increase in international passenger traffic, in revenue passenger kilometre (RPK) terms, was slightly outpaced by a 6.0% expansion in available seat capacity, which led to a 1.0 percentage point decline in the average international passenger load factor to 77.0% for the year.

An upsurge in exports from manufacturing hubs in the region led to a rebound in international air cargo markets in 2014, with demand as expressed in freight tonne kilometre (FTK) terms growing by a solid 5.4% compared to the previous year. Available freight capacity grew at a relatively modest pace of 4.1%, resulting in a 0.8 percentage point increase in the average international freight load factor to 64.9%.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, "Despite challenges, Asia Pacific airlines enjoyed a year of good growth in international passenger traffic in 2014. Passenger demand was healthy, underpinned by increasing numbers of middle income earners and further expansion in airline networks, which have all helped boost air travel within the region and beyond. However, passenger yields remained under pressure throughout the year, reflecting the intensely competitive market environment and some signs of overcapacity. Air cargo markets experienced a welcome upswing in 2014, with the second half of the year registering 6.0% growth compared to the same period in 2013, following several years of stagnant demand."

**continued /-**

Mr. Herdman added, “The dramatic fall in oil prices since the end of the year has been welcomed by many airlines, although the resultant benefit in terms of improved profitability will vary depending on individual airline hedging policies and their degree of exposure to external debt, given the weaker Asian currencies.”

Looking ahead, Mr. Herdman concluded, “Overall, the outlook for the coming year remains broadly positive, with sustained growth in the global economy continuing to drive air travel demand, whilst lower oil prices will also help to keep air travel affordable. However, airlines will need to closely monitor market movements, and align future capacity increases with the actual increase in demand, whilst seeking further operating efficiencies to restore margins to more sustainable levels.”

**TRAFFIC UPDATE – PRELIMINARY**

*International Scheduled Services of Asia Pacific Airlines*

<b>International</b>	<b>Dec-14</b>	<b>Dec-13</b>	<b>% Change</b>	<b>Jan-Dec 2014</b>	<b>Jan-Dec 2013</b>	<b>% Change</b>
Passengers (000)	23,108	21,566	+ 7.2%	256,127	244,319	+ 4.8%
RPK (mn.)	83,193	78,284	+ 6.3%	924,695	883,331	+ 4.7%
ASK (mn.)	106,830	101,069	+ 5.7%	1,200,568	1,132,867	+ 6.0%
Passenger Load Factor	77.9%	77.5%	+ 0.4 pp	77.0%	78.0%	- 1.0 pp
FTK (mn.)	5,572	5,232	+ 6.5%	63,178	59,961	+ 5.4%
FATK (mn.)	8,511	8,128	+ 4.7%	97,278	93,482	+ 4.1%
Freight Load Factor	65.5%	64.4%	+ 1.1 pp	64.9%	64.1%	+ 0.8 pp

- Effective September 2014, the dataset comprises aggregated traffic data from the following 31 Asia Pacific based carriers: 5J, 6E, 9W, AI, AK, BI, BR, CA, CI, CX, CZ, GA, JL, JQ, KA, KC, KE, MH, MU, NH, NZ, OZ, PG, PR, SG, SQ, TG, TR, QF, VA and VN.
- Previous year data adjusted for comparison purposes
- RPK = revenue passenger kilometres
- ASK = available seat kilometres
- FTK = freight tonne kilometres
- FATK = available freight tonne kilometres
- All figures, including estimates for missing data, are provisional

**ENDS**

**Association of Asia Pacific Airlines (AAPA)**

The AAPA is the trade association for scheduled international airlines based in the Asia-Pacific region. The AAPA permanent secretariat is headquartered in Kuala Lumpur, Malaysia with international representation in Brussels and Washington, D.C. Collectively, the region’s airlines carry 1,012 million passengers and 19 million tonnes of cargo, representing one-third of global passenger traffic and two-fifths of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

For further information, please contact:  
Office of the Director General  
Tel +603 2162 1888 Fax +603 2162 6888  
Email: [odg@aapa.org.my](mailto:odg@aapa.org.my)  
Website: [www.aapairlines.org](http://www.aapairlines.org)  
Twitter: @aapairlines